


Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 2-3, 2005

Reference No.: 3.1
Information Item

From: 
CINDY MCKIM
Chief Financial Officer

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Chief
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Ref: **CALTRANS MONTHLY FINANCE REPORT**

This report presents activity through the month of December 2004. The “baseline” forecast used for comparison purposes is the version presented to the California Transportation Commission (Commission) at the September 2004 meeting.

STATE HIGHWAY ACCOUNT (SHA)

Current Quarter (in millions)

<u>Adjusted Cash Balance</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>
Forecast	\$450	\$390	\$290
Actual	\$540	\$634	
Difference	\$90	\$244	

Fiscal Year (FY)

<u>Year-end Balance</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Forecast	\$500	\$230	\$260
Actual	\$288		
Difference	-\$212		

The adjusted ending cash balance for December 2004 was \$634 million, which was \$244 million higher than forecast. This difference is due to a number of circumstances including a higher starting balance, higher than expected revenue collections, and lower than expected expenditures.

Analysis of December 2004 Data:

- Weight Fees were \$12 million (22 percent) higher than expected. The annual projected amount for weight fees is based on the 2004-05 Governor’s Budget and the 2004 Fund Estimate. For the first half of the fiscal year, total weight fee collections have come in higher than estimated by about 12%. Weight fees have undergone a series of changes beginning in 2002, when Senate Bill (SB) 2084 (Ch. 861, statutes of 2000) made changes to the weight fee structure. These changes were intended to be revenue neutral, but in fact, generated considerably lower revenues. SB 1055 (Ch. 719, Statutes of 2003), which took effect January 1, 2004, was intended to regain the revenue neutrality of the weight fee structure. In light of this correction, the 2004 Fund Estimate estimated 2004-05 weight fees at \$799 million. If the collections continue at the current rate of 12% higher than forecast, then total fiscal year collections could

be as high as \$95 million greater than forecast. The extra amount already collected is not likely to be offset by lower collections in the coming months.

- Federal receipts for December 2004 were \$29 million (17 percent) higher than expected. The Department of Transportation (Department) is analyzing the most recent changes in the authorization of federal funding to determine the impact on allocation levels (see Federal Trust Fund discussion).
- Net Transportation Revolving Account (TRA) activity added about \$10 million to the SHA balance for December.
- State Operations expenditures were \$58 million (24 percent) lower than expected. Although State Operations has been running about five percent lower than forecast so far this year, this large difference is unexpected. Based on past expenditure patterns, it is likely that at least some of this difference will be made up in the next few months.
- Reimbursements for work done for others was approximately \$27 million higher than expected, adding this amount to the SHA cash balance in December 2004. This offsets previous months in which net expenditures on reimbursable work exceeded cash reimbursements.
- Expenditures for Local Assistance and work done for others was about \$28 million (24 percent) lower than expected. Despite this month's lower than expected amount, for the year, Local Assistance expenditures are on track with forecast.
- Capital Outlay expenditures were right on the forecast target. Though there is variation from month to month, total expenditures from the start of the fiscal year are not statistically different from forecast.

FEDERAL TRUST FUND

The updated reports for Federal Fund Apportionment Status and the Obligation Authority (OA) State and Local Use are attached. The Transportation Reauthorization Act still has not been passed by Congress. As of December 31, 2004, the State was operating under the Surface Transportation Extension Act of 2004, Part V (STEA04 part V), which provided eight months of apportionments and partial OA of 69 days. Approximately \$420 million of OA remains to be obligated, including both the State and local share.

- As of December 31, 2004, total Advance Construction (AC) including Grant Anticipation Revenue Vehicles (GARVEE bonds), Toll Bridge Seismic Retrofit, Local Assistance and Emergency Relief was \$4.0 billion.

Congress has recently passed a further extension of transportation funding, providing OA through May 2005. Although the Federal Highway Administration (FHWA) has not released final figures to the states, it is likely that the total receipts for the State fiscal year will be higher than previously forecast. An update will be provided once the final numbers are known.

PUBLIC TRANSPORTATION ACCOUNT (PTA)**Current Quarter (in millions)**

Adjusted Cash Balance	Nov	Dec	Jan
Forecast	110	\$50	\$110
Actual	\$145	\$129	
Difference	\$35	\$79	

Fiscal Year (FY)

Year-end Balance	2003-04	2004-05	2005-06
Forecast	\$70	\$60	\$130
Actual	\$143		
Difference	\$73		

Analysis of December 2004 Data:

- One reason for the difference between forecast and actual in December is the beginning balance, which started out \$35 million higher.
- Department expenditures for December were \$12.5 million lower than projected.
- \$29 million in expenditures projected for the State Transit Assistance did not occur. These expenditures are expected to occur in January 2005.

TRAFFIC CONGESTION RELIEF FUND (TCRF)**Current Quarter (in millions)**

Adjusted Cash Balance	Nov	Dec	Jan
Forecast	\$50	\$20	\$20
Actual	\$149	\$123	
Difference	\$99	\$103	

Fiscal Year (FY)

Year-end Balance	2003-04	2004-05	2005-06
Forecast	\$184	\$30	\$1,830
Actual	\$175		
Difference	-\$9		

Analysis of December 2004 Data:

- The main reason for the difference between forecast and actual in December is the beginning balance, which started out \$99 million higher than forecast.
- Expenditures for December were \$3 million lower than projected.
- The Transportation Revolving Account (TRA) cash advance for December was \$3 million higher than forecast.

TOLL BRIDGE SEISMIC RETROFIT ACCOUNT (TBSRA)**Current Quarter (in millions)**

<u>Adjusted Cash Balance</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>
Forecast	\$400	\$340	\$280
Actual	\$378	\$339	
Difference	-\$22	\$1	

Fiscal Year (FY)

<u>Year-end Balance</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Forecast	\$640	\$460	N/A
Actual	568		
Difference	-\$72		

As presented at the September 2004 Commission Meeting, the estimated total cost of the Toll Bridge Seismic Program increased. The Governor, the Legislature, and local agencies are working on several proposed methods of funding the new estimated cost. A new forecast based on the final decision will be presented after agreement is reached.

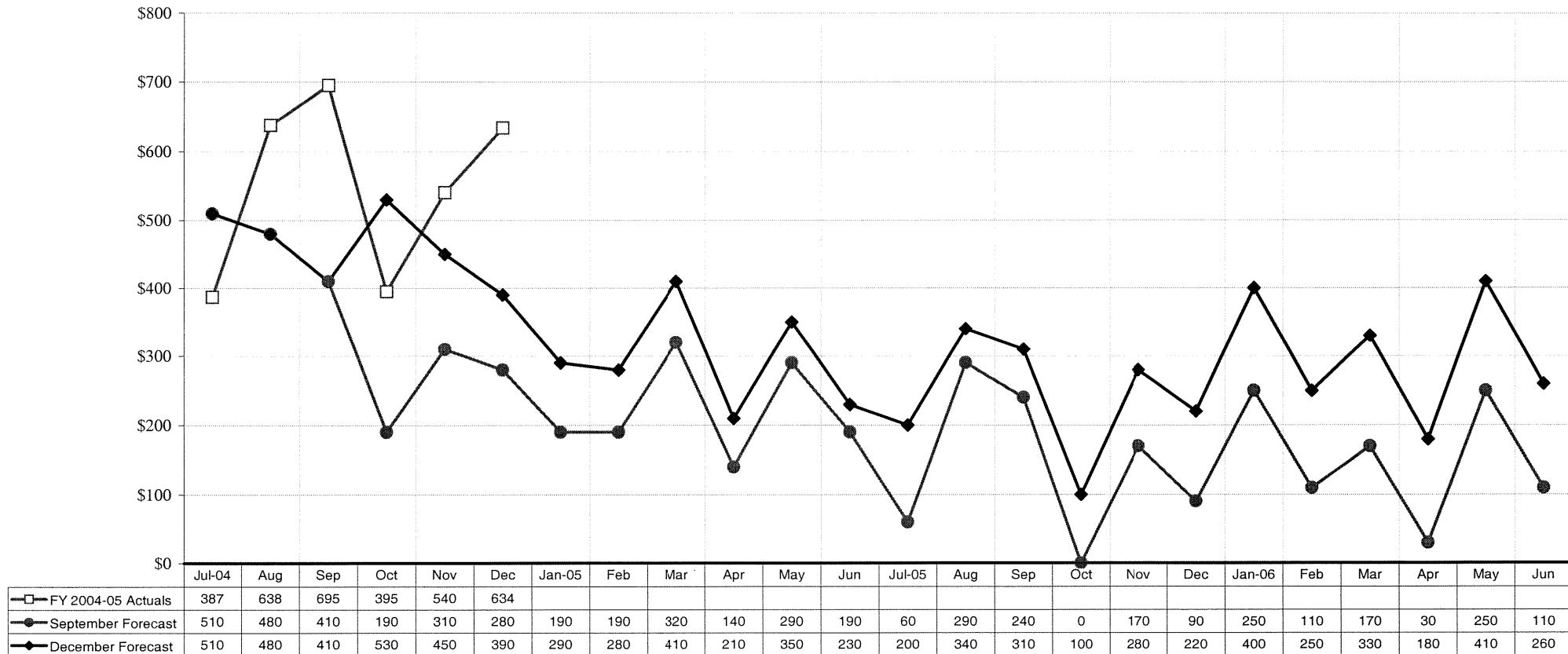
Analysis of October and December 2004 Data:

- As of September 1, 2003, this fund no longer receives toll revenue. Revenue from the seismic surcharge (\$1 per vehicle toll) is committed to repay the bonds sold in August 2003, and any future financing mechanisms.
- Despite some fluctuations from month to month, expenditures remain generally on trend. The cash balance is only \$1 million lower than projected for the end of December 2004.

TRANSPORTATION INVESTMENT FUND (TIF)

- No net TIF activity occurred in December 2004.

Attachments

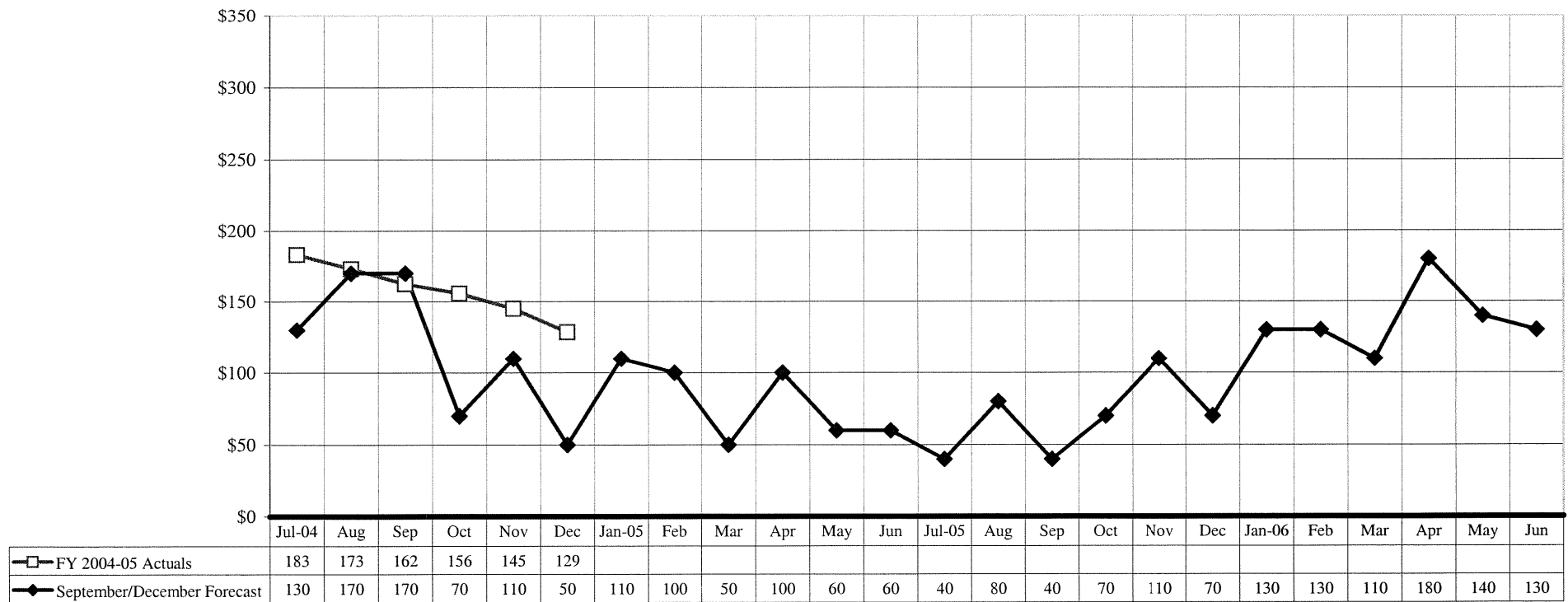
24-MONTH STATE HIGHWAY ACCOUNT CASH FORECAST
(\$ in millions)**FY 2004-05 Forecast Assumptions:**

- ▶ The September Forecast assumed \$504 million in allocations in FY 2004-05.
- ▶ The September Forecast did not assume a fix to ethanol, which was not enacted at that time.
- ▶ The September Forecast assumed an August Redistribution level consistent with the 2004 Fund Estimate.
- ▶ The September Forecast did not assume early loan payback from the renegotiation of tribal gaming compacts.

Assumption Change from Previous Forecast

- ▶ Assumes support expenditures as approved in the FY 2004-05 Budget Act. Future-year expenditures are consistent with the Adopted 2004 Fund Estimate.
- ▶ Assumes allocation of \$900 million in FY 2004-05.
- ▶ Assumes revised federal collection numbers based on a fix to ethanol and August Redistribution of \$52 million.
- ▶ Expenditures for capital projects have been updated based on the actual allocations to date.

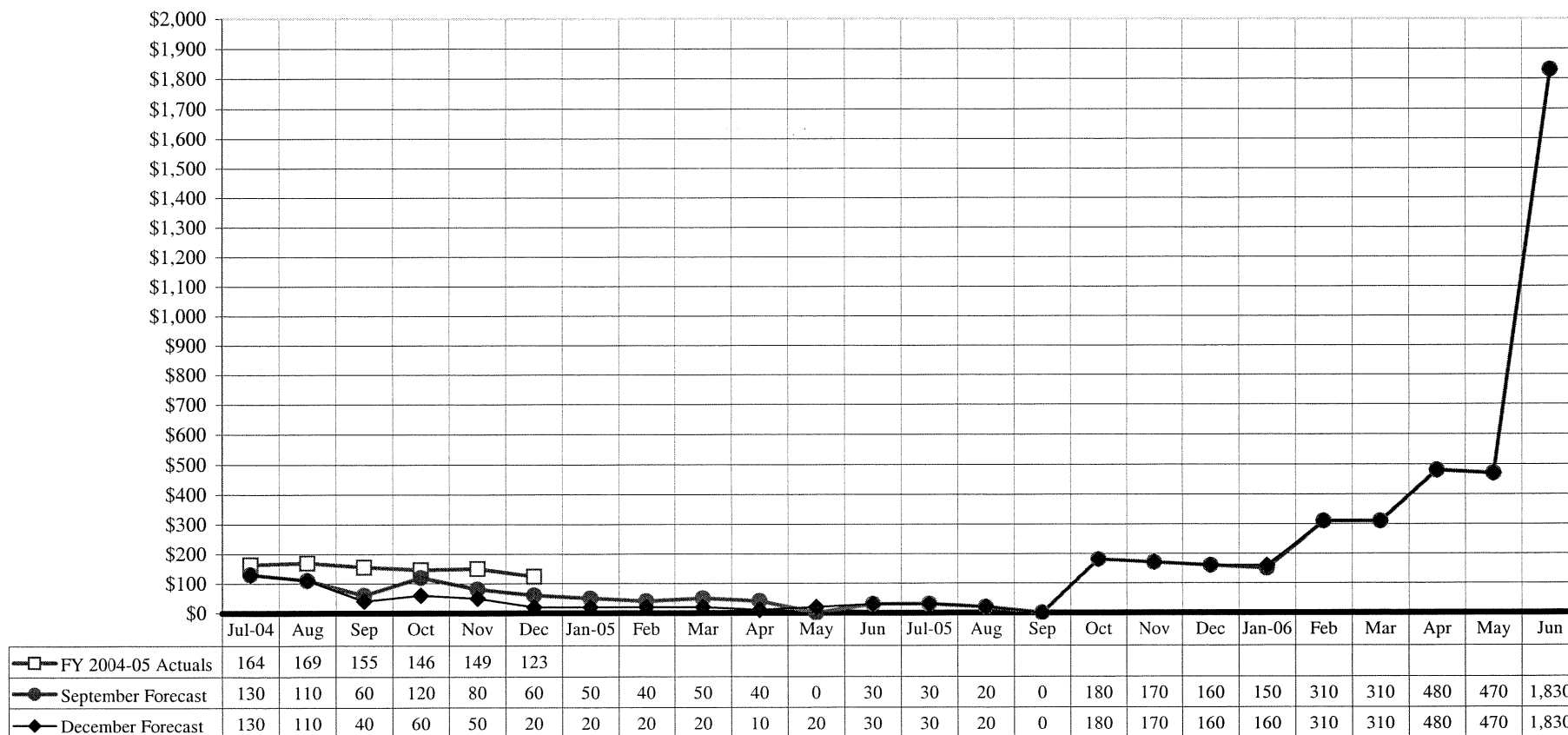
24-MONTH PUBLIC TRANSPORTATION ACCOUNT CASH FORECAST
(\$ in millions)

**FY 2004-05 Forecast Assumptions:**

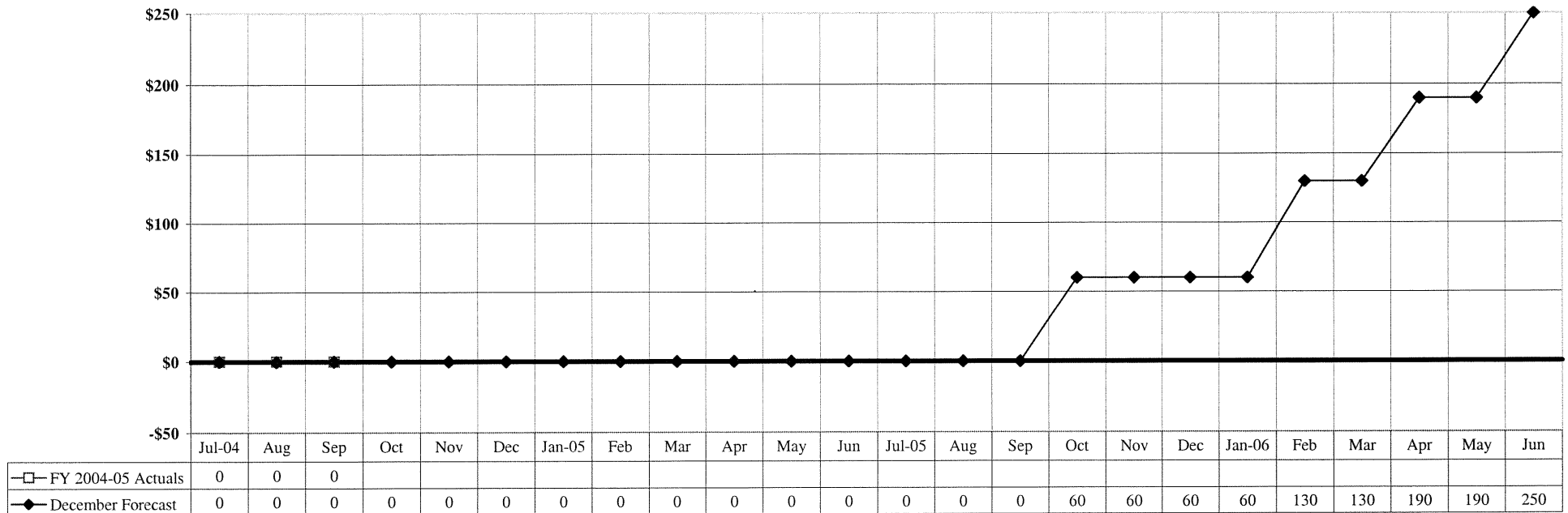
- ▶ Revenue estimates reflect the 2004-05 Governor's Budget.
- ▶ No transfer of Non-Article XIX funds from the State Highway Account.
- ▶ Suspension of Transportation Investment Fund (TIF) transfer in FY 2004-05.
- ▶ Assumes TIF Transfer occurs in FY 2005-06.

24-MONTH TRAFFIC CONGESTION RELIEF FUND CASH FORECAST

(\$ in millions)

**FY 2004-05 Forecast Assumptions:**

- ▶ No new allocations in FY 2004-05 or FY 2005-06.
- ▶ Suspension of Transportation Investment Fund (TIF) transfer in FY 2004-05.
- ▶ General Fund transfer of \$140 million in spillover revenue to occur in FY 2004-05.
- ▶ TIF transfer of \$678 million to occur quarterly in FY 2005-06.
- ▶ Loan repayment from General Fund of \$1.2 billion to occur June 2006.
- ▶ No early loan payback resulting from the renegotiation of tribal gambling compacts.
- ▶ General Fund transfer of \$43 million to occur in May 2005.
- ▶ Traffic Congestion Relief Fund transfer of \$20 million to State Highway Account to take place upon the receipt of the \$43 million.

24-MONTH TRANSPORTATION INVESTMENT FUND (TIF) CASH FORECAST
(\$ in millions)**FY 2004-05 Forecast Assumption**

- ▶ Suspension of TIF Transfers in FY 2004-05.
- ▶ FY 2005-06 transfers from General Fund of \$1,308 million.
- ▶ FY 2005-06 transfers to Public Transportation Account, Traffic Congestion Relief Fund and local agencies of \$1,056 million.

STATE HIGHWAY ACCOUNT (SHA)
Adjusted Cash Balance as of December 31, 2004
(\$ in millions)

	2004					
	JULY	AUG	SEP	OCT	NOV	DEC
Beginning Cash Balance (SHA & Transportation Revolving Account (TRA))	\$471	\$422	\$611	\$637	\$457	\$671
Add: Receipts for Month	459	878	626	407	641	516
Less: Disbursements for Month	(507)	(689)	(600)	(587)	(427)	(421)
Ending Cash Balance	\$422	\$611	\$637	\$457	\$671	\$766
Cash Reconciliation (Short-term loans and Transfers)						
Add: General Fund Short Term Loan	\$170	\$231	\$231	\$171	\$0	\$0
Less: TRA Balance from Other Funds	(91)	(110)	(79)	(159)	(57)	(58)
Less: Traffic Congestion Relief Fund Short Term Loan	(114)	(94)	(94)	(74)	(74)	(74)
Less: Public Transportation Account Short Term Loan	0	0	0	0	0	0
Adjusted SHA Cash Balance*	\$387	\$638	\$695	\$395	\$540	\$634
Current Commitments Against Cash:**						
State Operations	\$272	\$397	\$417	\$395	\$370	\$375
Local Assistance	88	118	109	105	100	96
Capital Outlay Contracts:						
Awarded	1,218	1,218	1,295	1,287	1,080	1,348
Advertised but not Awarded	290	260	183	177	150	106
Allocated but not Advertised	91	202	162	163	114	44
Total Commitments	\$1,959	\$2,195	\$2,166	\$2,127	\$1,815	\$1,969
Available Cash Balance	-\$1,572	-\$1,557	-\$1,471	-\$1,732	-\$1,275	-\$1,335

* The Department's cash forecast is based on the adjusted SHA cash balance.

** This section represents an estimate of all of the unpaid contractual and pending commitments against the SHA and Federal Funds:

State Operations represents the encumbered balance of State Operations.

Local Assistance represents the encumbered balance of Local Assistance projects.

Awarded Capital Outlay Contracts represents the remaining balance of all awarded SHA/Federal contracts.

Advertised but not Awarded Contracts are projects that have been allocated and advertised but not yet awarded.

Allocated but not Advertised Contracts are projects that have been allocated but have not been advertised.

PUBLIC TRANSPORTATION ACCOUNT (PTA)
Adjusted Cash Balance as of December 31, 2004

(\$ in millions)

	2004					
	JUL	AUG	SEP	OCT	NOV	DEC
Beginning Cash Balance, per State Controller's Office	\$118	\$158	\$148	\$148	\$132	\$116
Add: Receipts for Month	40	0	0	64	0	0
Add: Short Term Loan Repayment	0	0	0	0	0	0
Less: Disbursements for Month	0	(9)	(13)	(80)	(16)	(15)
Ending Cash Balance	\$158	\$148	\$136	\$132	\$116	\$100
Cash Reconciliation:						
Add: Short Term Loan(s)	\$0	\$0	\$0	\$0	\$0	\$0
Add: Transportation Revolving Account Cash Advance	25	25	27	24	29	28
Adjusted PTA Cash Balance*	\$183	\$173	\$162	\$156	\$145	\$129
Current Commitments Against Cash:**						
State Operations	\$26	\$26	\$95	\$88	\$82	\$77
Local Assistance	10	10	8	10	9	8
Capital Outlay						
Yolo Causeway Project	9	9	9	7	7	7
Pittsburg - Antioch Project	29	29	29	29	29	29
La Mirada - Basta Project	21	21	21	17	16	16
Miscellaneous Capital Outlay Projects	18	18	18	17	15	16
Total Commitments	\$113	\$113	\$179	\$169	\$159	\$152
Available Cash Balance	\$70	\$60	(\$17)	(\$13)	(\$14)	(\$24)

* The Department's cash forecast is based on the adjusted PTA cash balance.

**The commitments shown include multi-year contracts. Expenditures associated with these contracts are included in the cash forecast.

TRAFFIC CONGESTION RELIEF FUND (TCRF)**Adjusted Cash Balance as of December 31, 2004**

(\$ in millions)

	2004					
	JUL	AUG	SEP	OCT	NOV	DEC
Beginning Cash Balance, per State Controller's Office	\$36	\$7	\$27	\$11	\$25	\$54
Add: Receipts for Month	0	20	0	20	36	0
Less: Disbursements for Month	(30)	0	(16)	(5)	(8)	(33)
Ending Cash Balance	\$7	\$27	\$11	\$25	\$54	\$21
Cash Reconciliation:						
Add: State Highway Account Short Term Loan	\$114	\$94	\$94	\$74	\$74	\$74
Add: Transportation Revolving Account Cash Advance	43	48	50	46	28	28
Adjusted TCRF Cash Balance*	\$164	\$169	\$155	\$146	\$156	\$123

* The Department's cash forecast is based on the adjusted TCRF cash balance.

TRANSPORTATION INVESTMENT FUND
Adjusted Cash Balance as of December 31, 2004
(\$ in millions)

	2004					
	JULY	AUG	SEP	OCT	NOV	DEC
Beginning Cash Balance, per the State Controller's Office	\$0	\$0	\$0	\$0	\$0	\$0
Add: Receipts for Month	0	0	0	0	0	0
Less: Disbursements for Month	0	0	0	0	0	0
Ending Cash Balance	\$0	\$0	\$0	\$0	\$0	\$0

STATUS OF SEISMIC RETROFIT PROGRAM

PHASE I (\$ in millions)	
	TOTAL
Estimated Capital Cost	\$815.0
Major Projects Funded To Date	\$843.8
Minor Projects Funded To Date	\$4.6
Total Capital Costs Funded To Date	\$848.4

PHASE II (\$ in millions)			
	SHA FEDERAL MDL⁽¹⁾	SEISMIC BOND FUND	TOTAL
Total Estimated Cost - Support and Capital			\$1,350.0
Major Projects Funded To Date	\$63.0	\$770.8 ⁽⁴⁾	\$833.8
Minor Projects Funded To Date	\$3.1	\$8.8	\$11.9
Right of Way Capital Costs To Date		\$20.4 ⁽²⁾	\$20.4
Support Costs Funded	\$103.0	\$256.8 ⁽³⁾	\$359.8
Prop 192 Reimbursement	(\$99.8)	\$99.8	\$0.0
Total Funded To Date	\$69.3	\$1,156.6	\$1,225.9

(1) Multi-District Litigation funds received through Petroleum Products Antitrust Litigation agreement, August 12 1992.

(2) Does not include \$81.2 million allocated for the Pooled Money Investment Account loan interest expenses as these costs are usually offset by the interest earned by the Surplus Money Investment Fund.

(3) Indicates actual expenditures/encumbrances (other amounts are allocations.)

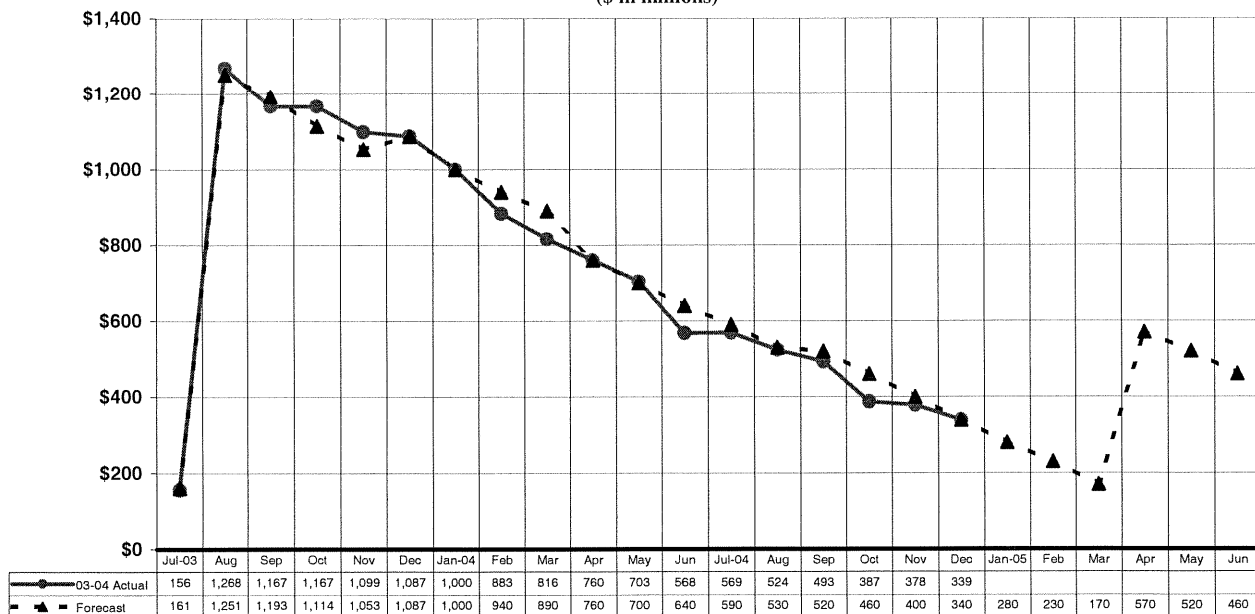
(4) Includes \$31,914 in final vouchering adjustments for four projects per HQ Accounting.

TOLL BRIDGE SEISMIC RETROFIT (\$ in millions)					
	SHA TOLL MDL⁽¹⁾	SEISMIC BOND FUND	TBSR ACCT	HBRR⁽²⁾ FUNDS (Federal)	TOTAL
Total Estimated Cost - Support and Capital					\$4,637.0
Major Projects Funded To Date	\$22.2	\$649.3	\$2,417.4	\$627.5	\$3,716.4
Minor Projects Funded To Date					
Right of Way Capital Costs To Date		\$24.2	\$57.3		\$81.5
Support Costs Funded	\$66.2	\$106.0	\$610.8 ⁽³⁾		\$783.0
Prop 192 Reimbursement	-\$9.5	\$9.5			\$0.0
Total Funded To Date	\$78.9	\$789.0	\$3,085.5	\$627.5	\$4,581.9

Total Estimated Cost increased to \$4,637 million per Assembly Bill 1171 (Chapter 907, Statutes of 2001).

- (1) Multi-District Litigation funds received through Petroleum Products Antitrust Litigation agreement, August 12 1992.
 (2) Federal Highway Bridge Replacement and Rehabilitation, as authorized by AB 1171.
 (3) Indicates actual expenditures/encumbrances (other amounts are allocations).

24-MONTH TOLL BRIDGE SEISMIC RETROFIT ACCOUNT CASH FORECAST
(\$ in millions)



Account balance does not include debt service reserve and administrative sub-funds.

Assumptions:

Assumes \$450 million in Financing to be received in April 2005.

ADVANCE CONSTRUCTION (AC)
as of December 31, 2004
(\$ in millions)

Major Fund Categories (will use state OA to convert)

INTERSTATE MAINTENANCE	\$	651
NATIONAL HIGHWAY SYSTEM	\$	930
MINIMUM GUARANTEE		N/A
CONGESTION MITIGATION & AIR QUALITY IMPROVEMENT		N/A
BRIDGE PROGRAM FUNDS	\$	43
SURFACE TRANSPORTATION PROGRAM (1)	\$	901
SURFACE TRANSPORTATION ENHANCEMENT	\$	58
MISCELLANEOUS (2)	\$	147
METROPOLITAN PLANNING		N/A
STATE PLANNING AND RESEARCH FUNDS (SPR)	\$	75
Sub Total	\$	2,805

Emergency Relief Projects (ER funds come with their own OA)

ER (STP funds)	\$	27
Sub Total		27

Special Projects (will use state OA to convert but will not add to the State Highway Account balance)

Toll Bridge Seismic Retrofit Projects (HBRR Funds)	\$	342
GARVEE Projects	\$	741
Sub total	\$	1,083

Local AC (will use local OA to convert)

LOCAL (3)		90
Sub total	\$	90

Statewide Total AC Balance	\$	4,006
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(1) State STP Only

(2) Includes: Interstate Construction, Statewide Infrastructure Bank, Combined Road Plan, etc.

(3) Local AC projects include different federal fund categories (RSTP, CMAQ, HBRR, HES,...)

OBLIGATION AUTHORITY (OA) ⁽¹⁾
STATE /LOCAL USE
(\$ in millions)

FFY 2005 as of December 31, 2004 ⁽²⁾

	<u>STATE</u>	<u>LOCAL</u>	<u>TOTAL</u>
2005 OBLIGATION AUTHORITY	\$ 477	\$ 264	\$ 741
ADJUSTMENTS ⁽³⁾	\$ -	\$ -	\$ -
FEDERAL TRANSIT ADMINISTRATION TRANSFERS	\$ 0	\$ 7	\$ 7
CUMULATIVE OBLIGATIONS ⁽⁴⁾	<u>\$ 224</u>	<u>\$ 89</u>	<u>\$ 314</u>
REMAINING OA	\$ 252	\$ 168	\$ 420

FFY 2004 as of September 30, 2004 ⁽²⁾

	<u>STATE</u>	<u>LOCAL</u>	<u>TOTAL</u>
2004 OBLIGATION AUTHORITY	\$ 1,714	\$ 952	\$ 2,666
PAYBACK FOR 2003	\$ (199)	\$ 199	\$ -
ADJUSTMENTS ⁽³⁾	\$ 165	\$ (156)	\$ 9
FTA TRANSFERS	\$ 46	\$ 322	\$ 368
CUMULATIVE OBLIGATIONS ⁽⁴⁾	<u>\$ 1,634</u>	<u>\$ 673</u>	<u>\$ 2,307</u>
REMAINING OA	\$ 0	\$ (0)	\$ (0)

NOTE: REMAINING LOCAL OA INCLUDES \$199 MILLION OF PAYBACK FROM STATE

FFY 2003

	<u>STATE</u>	<u>LOCAL</u>	<u>TOTAL</u>
OBLIGATION AUTHORITY	\$ 1,603	\$ 904	\$ 2,507
OA USE ⁽⁵⁾	<u>\$ 1,802</u>	<u>\$ 705</u>	<u>\$ 2,507</u>
REMAINING OA	\$ (199)	\$ 199	\$ -

NOTE: AS OF SEPTEMBER 30, 2003, THE STATE HAS USED \$199 MILLION OF LOCAL OA.

FFY - Federal Fiscal Year (ending September)

⁽¹⁾ OA includes formula limitation, Section 163 Motor Veh/Intox, minimum Guarantee Special and Exempt.⁽²⁾ As of December 31, 2004, the State was operating under STEA04, Part V, 8/12ths OA.⁽³⁾ Adjustments include Local Exchange, Safe Routes To Schools, Local Cash Management, and prior year adjustments⁽⁴⁾ Cumulative Obligations include formula, minimum guarantee, and special allocated limitation.⁽⁵⁾ OA Use include Cumulative Obligations, Adjustments and FTA Transfers.

FEDERAL FUND - APPORTIONMENT STATUS

(\$ in millions)

<u>MAJOR FUND CATEGORY</u>	<u>FFY-2003</u>		<u>FFY-2004</u>		<u>FFY-2005</u> <u>(as of December 31, 2004)</u>	
	<u>Apportionment</u>	<u>Obligations (1)</u>	<u>Apportionment</u>	<u>Obligations (1)</u>	<u>Apportionment</u>	<u>Obligations (1)</u>
INTERSTATE MAINTENANCE	\$ 223	\$ 216	\$ 270	\$ 271	\$ 359	\$ 54
NATIONAL HIGHWAY SYSTEM	\$ 372	\$ 456	\$ 572	\$ 495	\$ 521	\$ 127
MINIMUM GUARANTEE (2)	\$ 210	\$ 218	\$ 212	\$ 213	\$ 148	\$ 10
CONGESTION MITIGATION & AIR QUALITY IMPROVEMENT	\$ 332	\$ 284	\$ 387	\$ 425	\$ 350	\$ 36
BRIDGE PROGRAM FUNDS	\$ 301	\$ 325	\$ 351	\$ 223	\$ 317	\$ 7
SURFACE TRANSPORTATION PROGRAM	\$ 789	\$ 861	\$ 751	\$ 871	\$ 572	\$ 84
SURFACE TRANSPORTATION ENHANCEMENT	\$ 61	\$ 37	\$ 71	\$ 74	\$ 64	\$ (1)
MISCELLANEOUS (3)	\$ 16	\$ 71	\$ 10	\$ 12	\$ 3	\$ 3
METROPOLITAN PLANNING	\$ 29	\$ 29	\$ 35	\$ 27	\$ 22	\$ -
STATE PLANNING AND RESEARCH FUNDS (SPR)	\$ 47	\$ 9	\$ 54	\$ 56	\$ 48	\$ -
TOTAL	\$ 2,380	\$ 2,507	\$ 2,713	\$ 2,666	\$ 2,403	\$ 321
AVAILABLE FEDERAL OBLIGATION AUTHORITY (OA)		\$ 2,507		\$ 2,666		\$ 741
AVAILABLE FEDERAL OA REMAINING		\$ 0		\$ 0		\$ 420

NOTES

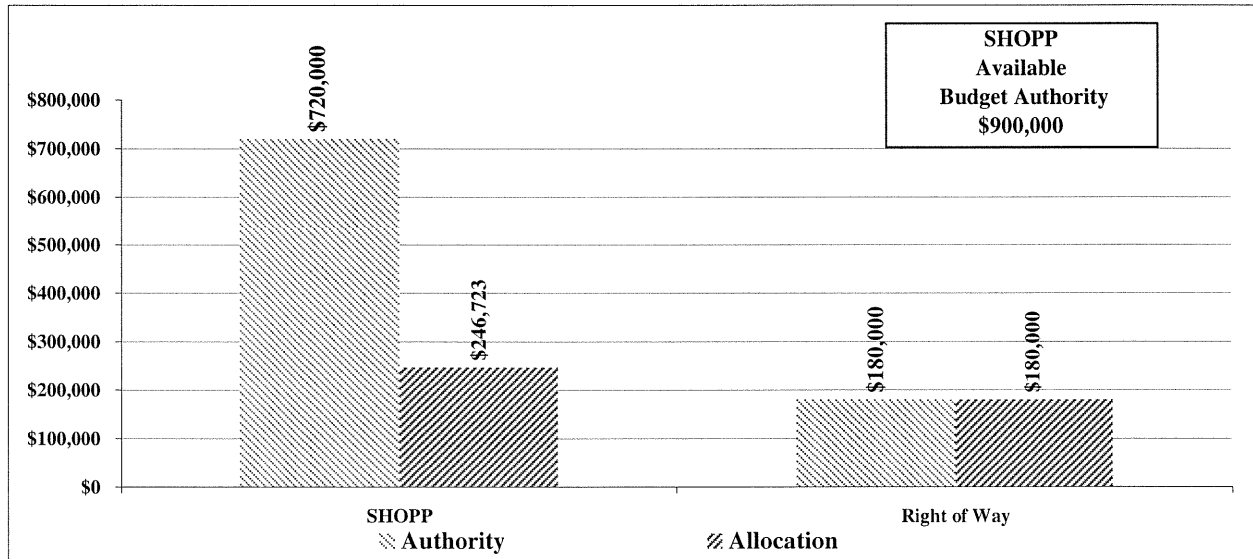
(1) Includes FTA transfers.

(2) Combines Special and Exempt funding.

(3) Includes Recreational Trails, redistribution of certain authorized funds, Motor Vehicles by Intoxicated Persons and various PRE-ISTEA fund types.

OA - includes formula limitation, minimum Guarantee Special and Exempt.

**FY 2004-05 STATE HIGHWAY OPERATION PROTECTION PROGRAM (SHOPP)
BUDGETARY ANALYSIS REPORT
as of January 31, 2005
(\$ in thousands)**



Objective: To monitor and report the availability of FY 2004-05 Budget Authority and determine the overall capacity for meeting the current programmatic commitments.

Measure: The authorized levels are consistent with the enacted FY 2004-05 Budget and Commission approved adjustments necessary to conform to the FY 2004-05 SHOPP Allocation Plan. Allocations represent Commission votes, emergency project funding (G-11) and projects processed under the Department's delegated authority. The established reserve is intended to fund project specific budget adjustments pursuant to Resolution G-12, as amended by G-02-12.

Result: Currently there is insufficient Budget Authority to fully fund the FY 2004-05 SHOPP Allocation Plan. Due to the constrained nature of the current budget, non-SHOPP allocations will reduce the Department's ability to fully fund the FY 2004-05 SHOPP Allocation Plan.

Analysis:

- The current funding capacity for the FY 2004-05 SHOPP Allocation Plan is \$900 million. This represents the portion of the allocation available for the fiscal year due to budgetary constraints. The Right of Way allocation of \$180 million reduces SHOPP to \$720 million.
- To date, there has been a total of 134 SHOPP projects voted, totaling \$246.7 million. Of the 134 projects voted, 47 have been awarded. The average time from project vote to award is approximately 90 days. Since the current fiscal year began, 74 projects fall within the accepted norm.
- Of the total amount allocated, \$6.2 million has been expended. The reported expenditure level is consistent with current projections.